

REMARKS

Applicants reply to the Final Office Action dated December 29, 2008 within two months. Claims 1 and 3-41 were pending in the application and the Examiner rejects claims 1 and 3-41. Applicants add new dependent claim 42. Support for the new claim and amendments may be found in the originally-filed specification, claims, and figures. No new matter has been introduced by the new claim and amendments. Reconsideration of this application is respectfully requested.

The amendments to the independent claims and the new dependent claim incorporate claim elements from issued claim 1 of U.S. Patent No. 7,343,351 (U.S. Serial No. 09/652,899) and issued claim 1 of U.S. Patent No. 7,216,091 (U.S. Serial No. 09/241,188). These patents are incorporated by reference in the originally filed specification of the instant application. These issued patents were pending at the time of filing of the instant application and that both patents are still owned by American Express Travel Related Services Company, Inc., who is the assignee of the instant application.

Applicants incorporate all of the elements of issued claim 1 of U.S. Patent No. 7,343,351 into the independent claims, so claim 1 also now relates to processing payment information securely, such that a “digital wallet” may be used to facilitate a purchase, so the presently claimed invention utilizes the specific digital wallet of the ‘351 Patent to facilitate a transaction which utilizes a payment authorization request and account code of the presently claimed invention. Applicants incorporate all of the elements of issued claim 1 of U.S. Patent No. 7,216,091 into new dependent claim 42. Claim 42 relates to using a unique object and data structure to represent various features of account codes, so the presently claimed invention utilizes the specific object and data structure of the ‘091 Patent to facilitate a transaction which utilizes the payment authorization request of the presently claimed invention. **In other words, the presently claimed invention now improves upon patentable claim elements.**

Rejections under 35 U.S.C. § 101

The Examiner rejects claims 19-22 under 35 U.S.C. § 101 because the invention is directed toward non-statutory subject matter. Specifically, the Examiner asserts that in claim 19, which is an apparatus type claim, “applicant recites positive recitations to method steps being performed...this is a mixing of both apparatus and method statutory classes of invention” (page 2, item 2).

Applicants amend independent claim 19 to positively recite a “computerized transaction authorization manager configured to provide, over a web interface, a webpage disclosing said transaction and said full purchase amount in a first section of said webpage” in accordance with an apparatus type of claim. Claims 20-22 depend from independent claim 19, therefore, are likewise cured by the amendments to claim 19.

Rejections under 35 U.S.C. § 103(a)

The Examiner rejects claims 1, 3-12, 19, 24-28, 33, 34, 35, and 37 under 35 U.S.C. § 103(a) as being unpatentable over Burton et al., U.S. Patent No. 5,025,372, (“Burton”) in view of Tedesco et al., U.S. Patent No. 6,898,570, (“Tedesco”) in view of McMullin et al., U.S. Patent No. 6,222,914, (“McMullin”), and in further view of Adams et al., U.S. Patent No. 7,025,674, (“Adams”). Applicants respectfully disagree with the rejections.

Applicants traverse the official notice taken by the Examiner of the Office Action because “the facts asserted to be well known are not capable of instant and unquestionable demonstration as being well-known.” MPEP 2144.03. Applicants therefore respectfully request that “the examiner provide documentary evidence in the next Office action if the rejection is to be maintained.” Id.

Specifically, Applicants note that the Examiner made several statements regarding “obviousness” without providing references that would support the assertions. For example, in reference to displaying a balance of loyalty points remaining within a section of a billing web page, the Examiner notes that, while Burton does not “fully address the portion of the claim that recites that the balance of loyalty points is displayed in a section of the webpage...the Examiner feels that this is obvious also” (page 5, paragraph 2).

Regarding the above example, Applicants note that it is not the mere display of a loyalty point balance within a web page that is unique, but rather it is the display of a point balance relative to the additional claimed limitations, which disclose how a credit account balance is offset by a redemption of loyalty points (from different merchants) after one or more purchase transactions are facilitated. Applicants respectfully request that the Examiner cite references (instead of “official notice”) that disclose the uniquely combination of steps, as presently claimed.

Burton generally discloses a system for awarding a credit card holder with monetary rewards based on performance. The Burton system enables the card holder to elect to have all or a portion of the monetary awards allocated to a credit card account, which may later be used to

facilitate purchases. The card sponsor determines a level of achievement (e.g., employee sales goals) that the card holder must obtain in order to have a specified monetary reward credited to their credit card account. Burton further discloses that, at regular intervals (e.g., annually, semiannually, quarterly), the system analyzes the card holder performance over the previous period, determines a number of points to be awarded based on the performance level, determines if any bonus points have been earned, and applies the sum value to the card holder's account. At that point, the card holder may use the awarded point value to facilitate a purchase.

Burton does not disclose a conversion ratio. Burton discloses no specific variance considerations that are used to determine a conversion rate. For example, the Burton employer cannot define rules that state conditions effecting a conversion rate. More significantly, conditionally adjusting the conversion rate during a purchase transaction would not be possible under Burton, because the conversion has already occurred on the currency value loaded to the card of the employee.

Tedesco generally discloses a customer acquisition system that enables an "offeror service provider" to acquire new customers by making acquisition offers to customers through the billing statements of other businesses. The customer acquisition system of Tedesco uses predefined criteria to automatically include an acquisition offer on a billing statement or on associated promotional materials. The Tedesco billing statement allows the customer to accept the acquisition offer using the billing statement.

Moreover, Tedesco discloses that an amount owed by a customer may determine whether the customer receives an acquisition offer. Also, the Tedesco system enables acquisition offers to be targeted to customers based on geographic information, such as zip codes, historical data, credit reports, purchase histories, and the like. The Tedesco system allows service providers to target localized markets by using the customer databases of other geographically-oriented service providers, such as, for example, utility companies.

McMullin generally discloses a system for administering incentive award programs. According to the McMullin system, award points may be earned in response to certain actions by participants and credited to the participant's credit card, but only after a predetermined time delay. The participant must still be a customer in good standing with the credit card sponsor at the end of this predetermined delay period in order to receive the awarded points.

The objective of the McMullin system is to create an incentive for the participant to purchase the sponsor's goods and/or services in order to earn award points, and further create an

incentive for the participant to remain a loyal customer of the sponsor in order to receive and redeem the award points at some point in the future. Each award point serves a double function as a reward for using the sponsor's products and/or services and also as an incentive for customer loyalty to the sponsor.

Adams generally discloses a system for awarding promotional points through a game such as, for example, a casino game, a video arcade game, and the like. The game includes a display that displays an ongoing balance of promotional points that are earned based on a player's performance. This provides the player with an incentive to play the game and to continue playing the game to accumulate additional promotional points that may be later exchanges for items offered by participating merchants. Adams further discloses that various promotional items may be displayed on the game display along with a point value for each item to further encourage the player to accumulate an adequate balance of promotional points to exchange for a desired item.

While Burton, Tedesco, McMullin, and Adams each disclose variations on systems for issuing and redeeming loyalty points, and Adams discloses converting a point balance to a cash value, neither of the references disclose or contemplate receiving a request to redeem the loyalty points and issuing an account code based on the request in order to ensure that a loyalty point account remains secure from fraudulent transactions. As those of ordinary skill in the art would appreciate, a loyalty point account can accumulate a significant monetary value for consumer. With the growing issues associated with credit card fraud, it serves to follow that the fraudulent redemption of loyalty points associated with a credit account, for example, is, or will likely become, a major problem. However, neither of the cited references disclose security measures, beyond what is presently known, for ensuring that the redeemer of loyalty points is the true owner of the loyalty points. As such, neither Burton, Adams, nor any combination thereof, disclose or contemplate the following combination of steps as similarly recited by independent claims 1, 5, 19, 24, and 33:

- issuing, by the computer, a challenge based on the payment authorization request and forwarding the challenge to the participant, wherein the challenge is passed to an intelligent token for processing the challenge, wherein the intelligent token generates a response to the challenge
- receiving, at the computer, a response from the participant based upon the challenge
- processing, at the computer, the response and verifying the intelligent token

- assembling, at the computer, credentials for the payment authorization request, wherein the credentials comprise a key
- providing, by the computer, the assembled credentials to the participant
- receiving, at the computer, a second request from the participant, the second request including the portion of the assembled credentials provided to the participant
- validating, at the computer, the portion of the assembled credentials provided to the participant with the key of the assembled credentials providing access to purchase the account code
- determining, at the computer, in response to said account code being equal to one of a plurality of valid account codes, wherein in response to said account code being equal to one of the plurality of valid account codes, comparing the purchase value to said monetary value associated with the account code to determine when a monetary value exceeds said purchase value
- in response to the monetary value exceeding the purchase value, sending a purchase authorization message authorizing said purchase transaction
- subtracting said purchase value from the monetary value associated with said account code to obtain an available credit associated with said account code
- approving, by said computer, the payment authorization request based on said available credit associated with said account code and said full purchase amount
- providing, by said computer and over a web interface, a webpage disclosing said transaction and said full purchase amount in a first section of said webpage, and a balance of loyalty points in a second section of the webpage, along with a device within said webpage for enabling application of a currency value of at least a portion of said loyalty points to said full purchase amount in a previously executed charge, wherein said previously executed charge is provided to said participant in an online billing statement

Claims 3, 4, 6-12, 25-28, 34, and 35 variously depend from independent claims 1, 5, 19, 24, and 33. Applicants assert that dependent claims 3, 4, 6-12, 25-28, 34, and 35 are differentiated from the cited reference for at least the same reasons as set forth above, as well as their own respective features.

New claim 42 depends from independent claim 1. Applicants assert that dependent claim 42 is differentiated from the cited reference for at least the same reasons as set forth above, as well as its own respective features.

The Examiner next rejects claim 13-18, 20-23, 29-32, 36, and 38-41 under 35 U.S.C. § 103(a) as being unpatentable over Burton, Tedesco, McMullin, and Adams, in further view of

Storey et al., U.S. Patent No. 5,774,870, ("Storey"). Applicants respectfully traverse the rejections.

Storey generally discloses an online frequency reward program, where a user may shop catalogs online for products to purchase through the redemption of loyalty points. Storey further facilitates management of the loyalty account, electronically placing an award redeeming order with a fulfillment house, and updating the user's award account. As in Burton, Tedesco, McMullin, and Adams, user's of the Storey system are not able receive a request to redeem loyalty points and issue an account code based on the request in order to ensure that a loyalty point account remains secure from fraudulent transactions. As such, neither Burton, Storey, Adams, nor any combination thereof disclose or suggest the combination of steps recited above in reference to claims 1, 5, 19, 24, 33, and as similarly recited by independent claims 23 and 38.

Claims 13-18, 20-22, 29-32, 36, and 39-41 variously depend from independent claims 5, 19, 24, 33, and 38. Applicants assert that dependent claims 13-18, 20-22, 29-32, 36, and 39-41 are differentiated from the cited reference for at least the same reasons as set forth above, as well as their own respective features.

Applicants respectfully submit that the pending claims are in condition for allowance. The Commissioner is hereby authorized to charge any fees which may be required, or credit any overpayment, to Deposit Account No. **19-2814**. If an extension of time is necessary, please accept this as a petition therefore. Applicants invite the Office to telephone the undersigned if the Examiner has any questions regarding this Reply or the present application in general.

Respectfully submitted,

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